

Sustainability Statement

30th Sep 2023

At Shrey, we are committed to fostering a sustainable future through innovative and responsible practices. Our mission is to lead the sportswear industry in reducing environmental impact while maintaining the highest standards of quality and performance. Through the *Shrey Care Initiative*, we are taking actionable steps to ensure our operations contribute positively to both the environment and society.

Our Commitment to Sustainability

As part of our ongoing journey, we have set ambitious goals to significantly reduce our carbon footprint and create products that are environmentally friendly. By 2035, we aim to become a fully biodiversity-friendly sportswear and gear producer, achieving carbon neutrality in the process.

We aim to achieve climate neutrality in our operations for Scope 1 and 2 emissions by 2035 and have also set reduction target for Scope 3 emissions, aiming for a 50% reduction compared to the base year by 2035. In support of this, we have implemented several initiatives targeting:

- A 35% improvement in energy efficiency across heating, cooling, and ventilation systems.
- We are upgrading our in-house machinery to sustainable technology, targeting a 35% increase in energy efficiency. This includes improvements in welding, binding, and sewing machines, as well as other equipment, to enhance operational efficiency.
- Prioritising sea freight over air freight for product shipping. In the year 2023, 38% of our garments were transported to the UK via sea freight. Our target is to achieve 60% sea freight shipping by 2030.
- We aim to reduce our fabric imports to 70% by the year 2030 and utilise local resources and manufacturers, achieving a reduction in emissions and overall environmental footprint.

Key Sustainability Initiatives

- **Sourcing of Sustainable Fabrics**
All our sustainable and recycled fabrics are sourced from GRS (Global Recycled Standard) certified vendors. The GRS is an internationally recognised certification that ensures products contain verified recycled content, while also promoting responsible social, environmental, and chemical practices throughout the production process. This

certification supports transparency and traceability across the supply chain, aligning with our commitment to sustainable production.

- **Carbon Footprint Reduction**

Since 2022, we have committed to reducing our carbon emissions and aim to reach net-zero emissions by 2035. This includes introducing decarbonisation strategies to ensure a lasting impact.

- **Sustainable Materials**

From 2020 onwards, we have replaced conventional fabrics with recyclable materials, using 45% recycled yarn in our products. Additionally, we use eco-friendly materials for packaging, trims, price tags, and hang tags.

- **Eco-Friendly Packaging**

Packaging is a key part of our environmental responsibility. We use biodegradable LDPE packaging and ensure that all tags and packages are made from nature-friendly materials to minimize waste and environmental harm.

The Shrey Care Initiative

Our sustainability efforts revolve around below key pillars:

- **Refuse** – We commit to responsible production by refusing to use unnecessary materials or manufacture items that don't serve a clear purpose. Our approach is to minimize waste from the start, ensuring that every product we create has a genuine need and value for our customers, without compromising on performance or sustainability.
- **Reuse** – We prioritise the use of recycled polyester and organic cotton across our product lines, ensuring that these essential sustainable materials play a central role in reducing waste. From fabric to packaging and trims, we aim to give materials a second life. Recycled polyester, derived from post-consumer plastic waste, and certified organic cotton are carefully selected to minimise environmental impact. In addition, we continuously explore innovative ways to repurpose materials through refurbishment programs and donations, further extending their lifecycle and reducing our overall footprint.
- **Reduce** – Our commitment to reducing waste extends across every aspect of our operations. From minimizing packaging and energy consumption to optimizing our supply chain, we strive to lower our environmental footprint at every stage, focusing on doing more with less.
- **Recycle** – We incorporate recycled materials into our products and promote end-of-life recycling options. By choosing sustainable fibers and partnering with recycling initiatives, we ensure that once a product has reached its end, its materials can be transformed and reused, closing the loop on waste.

Sustainable Partnerships

We are committed to partnering with vendors who share our dedication to sustainability:

- **SLICK STITCH:** Slick Stitch serves as our warehousing facility. They are committed to ethical business practices and sustainability. They hold certifications such as ISO 9001 (quality management), ISO 14001 (environmental management), and SEDEX membership, and are part of the Ethical Trade Initiative (ETI). These credentials reflect their focus on reducing environmental impact, ensuring ethical sourcing, and promoting employee welfare.
- **DPD:** DPD our logistic partners, demonstrates its commitment to eco-friendly practices through several initiatives and certifications:
 - **Science Based Targets Initiative (SBTi) approval:** DPD's parent company, Geopost, is the first global parcel delivery company to have its net-zero target for 2040 approved by the SBTi.
 - **ISO 14001:** Accreditation for environmental management systems.
 - **HVO Fuel:** 95% of DPD's HGV fleet operates on HVO.
 - **Solar Panels:** Generated 974,515 kWh of power from solar panels.
 - **Tree Planting:** DPD has planted 43,231 trees.
 - **Parcel Lockers:** Using parcel lockers reduces CO2 emissions compared to door-to-door delivery.
 - **Eco Fund:** Supports forest recovery efforts, including fire break equipment and tree replanting.
 - **E-Truck:** DPD Switzerland set a Guinness World Record in 2021 for the longest distance driven by an e-truck without intermediate charging.

By working with these sustainable vendors, we ensure that our supply chain supports our environmental goals and commitment to sustainability.

Employee Engagement and Workplace Sustainability

Sustainability is ingrained in our company culture. We encourage all employees to adopt eco-friendly practices, such as cycling or walking to work, contributing to a greener workplace environment. This holistic approach ensures that sustainability permeates every aspect of our operations, from manufacturing to daily work habits.

Certification and Compliance

Shrey is proud to be ISO 14001:2015 certified, ensuring that we meet internationally recognised environmental management standards. This certification reflects our ongoing commitment to reducing environmental impact and improving our sustainability practices. Our

processes are audited regularly, ensuring that we continuously meet and exceed the required environmental standards.

Monitoring, Reporting, and Compliance

We are dedicated to regular monitoring and reporting of our sustainability efforts. We adhere to all relevant environmental laws and regulations and strive to exceed these standards by implementing forward-thinking environmental practices. Progress towards our sustainability goals is reviewed regularly to ensure continuous improvement.

This policy has been duly approved by the Board for the financial year ending September 2023 and shall be subject to annual review thereafter.

A handwritten signature in purple ink, appearing to read 'Raghav Kohli', with a large loop at the top and a stylized 'K'.

Raghav Kohli
Managing Director